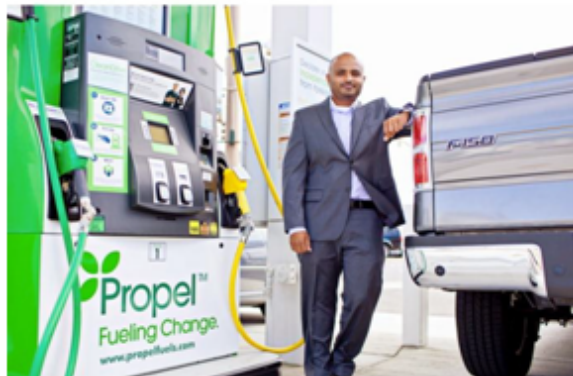




Integrated Energy Policy
Report, Alternative Fuel
Infrastructure
Summer 2013

www.propelfuels.com



Confidential

Overview



- ☐ Mission / About Propel
- ☐ Infrastructure
- ☐ Challenges
- ☐ Opportunities



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Mission



Engage consumers in the transition to alternative fuels

Create a leading network of alternative fuel stations

Build a leading clean fuel brand

La Mirada



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La Mirada



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Fresno



Confiden

Claremont



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Happy Customers



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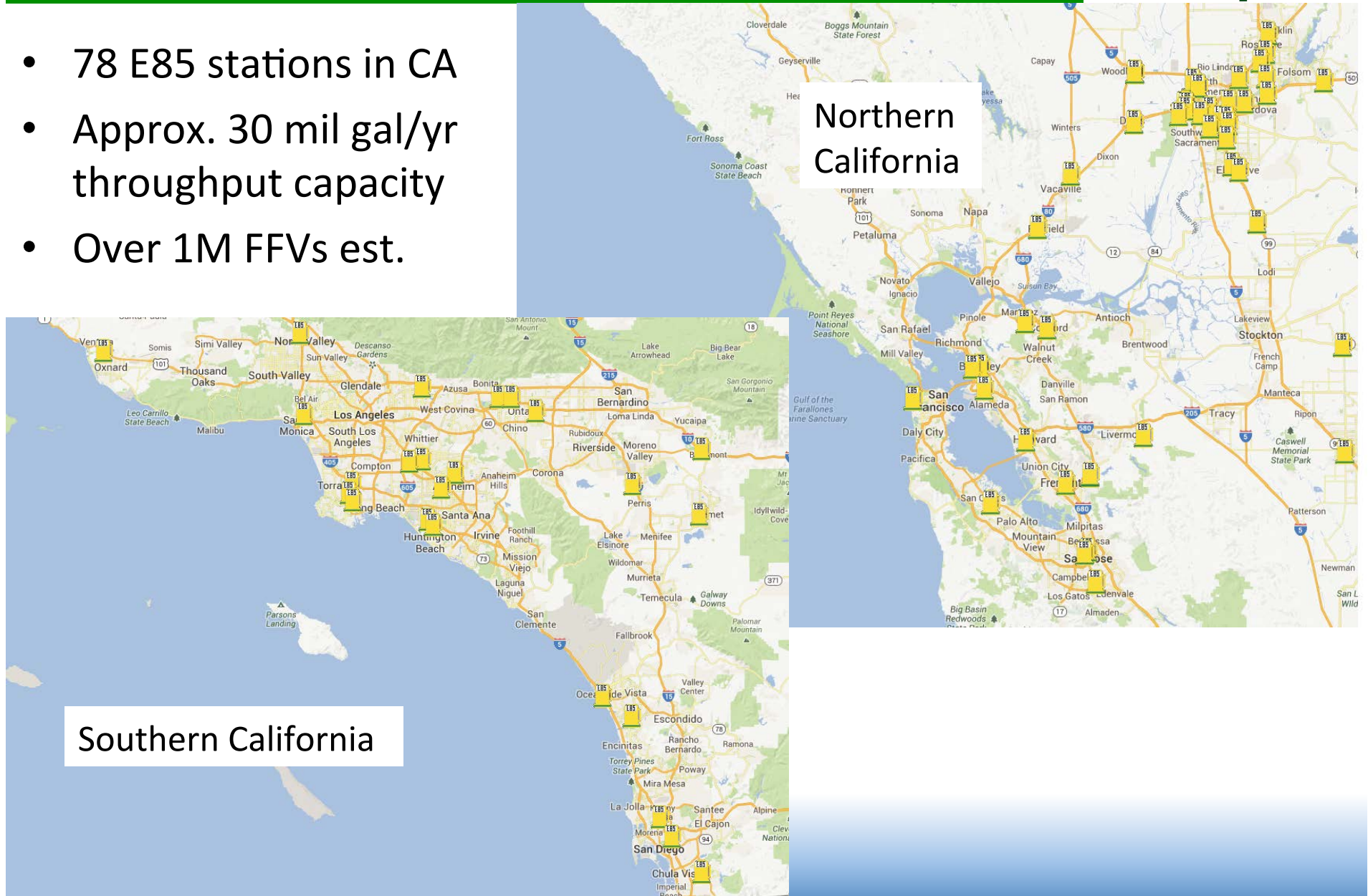
Infrastructure - Current



- 78 E85 stations in CA
- Approx. 30 mil gal/yr throughput capacity
- Over 1M FFVs est.

Northern California

Southern California



Infrastructure - Underway



- ✓ Propel opened our 34th alternative fuel filling station in California *yesterday!*
- ✓ 12 stations constructed in the last 8 months
- ✓ Propel stations also feature B20 biodiesel



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Infrastructure - Potential



- CEC / DOE Grants have provided funding for nearly 200 stations
- Market could support 1,000
- Potential for 200 stations by 2015
- 75% coverage, 12 min drive time



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Challenges



- Permitting
 - State
 - Local
- Grant Administration
- Equipment Standards

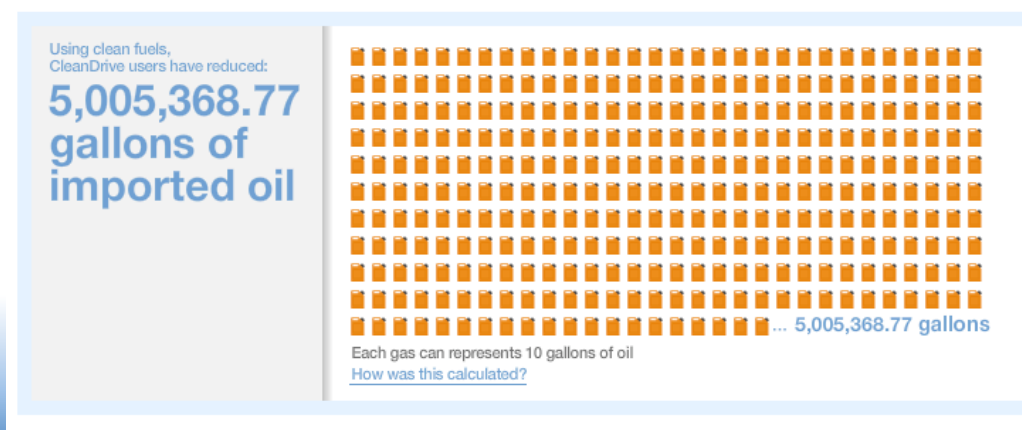
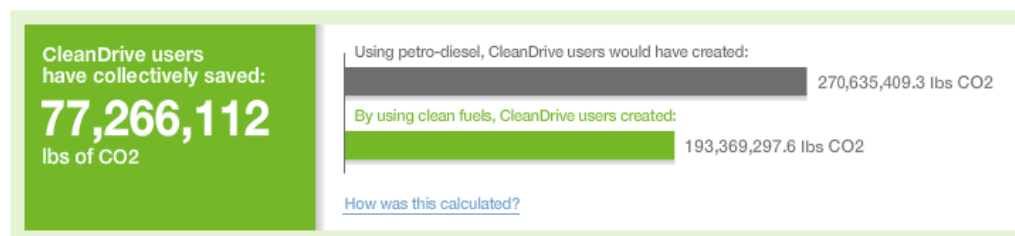


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Opportunities



- Blend Levels – E15, Mid-Level Blends
- Renewable Identification Numbers (RINs), part of the Federal Renewable Fuel Standard (RFS),
- CA Low Carbon Fuel Standard (LCFS)
- Carbon reductions
- Future Fuels



Two Platforms For Advanced Biofuels:



Flex Fuel Ethanol

- Sorghum
- Sugar Beets
- Cellulosic
- MSW

Diesel

- Renewable Diesel
- Algae Biodiesel



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Advanced Biofuel Demonstration



- Solazyme Event – Nov. 2012, algae-based biodiesel sold to the public for the 1st time ever!
- 35% volume increase, Bay Area stations
- 92 percent of participants noted that they would be more likely to purchase algae-derived fuel for its environmental benefits;
- 70 percent indicated that they would purchase the fuel more frequently if it were derived from algae; and
- Nearly 40 percent of customers indicated they would pay a premium for algae-derived fuel.



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Closing Thoughts



1. Strong customer demand, volumes
2. Despite challenges, industry is making progress
3. Still work to do, continued support is needed



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Thank you.